

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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DANIEL PRESTON,

: 12 CV 1393 (ALC)(JLC)

Plaintiff,

-against-

ABSECON MILLS, INC.,

:
DECLARATION OF
DENNIS WALSH

Defendant.
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Pursuant to 28 U.S.C. § 1746, Dennis Walsh declares that the following facts are true and correct, subject to the laws against perjury of the United States of America:

1. I am a former Marine First Sergeant and veteran. From late September or early October 2011 until March 4, 2012, I worked for defendant Absecon Mills, Inc. ("Absecon") on its ballistics project for the Office of Naval Research ("ONR"). I had previously worked for plaintiff Daniel Preston ("Preston") at his parachute company. It was Preston who introduced me to Absecon and suggested that Absecon hire me to work on its ONR contract.

2. I feel loyalty to both Absecon and Preston, and do not want to take sides in their dispute. However, I have been asked to verify certain facts based on my personal knowledge. The sole purpose of this declaration is to set forth those facts.

3. Last September, Preston approached me about overseeing the work Absecon was doing on a contract for ONR involving body armor technology that Preston had developed. I met with Randolph Taylor ("Taylor"), the Chief Executive Officer of Absecon, who ultimately agreed to hire me as deputy project manager for the work covered by the Statement of Work (the "SOW") for the ONR contract.

4. Preston subsequently taught me the "recipe" for making body armor using his technology. I, in turn, worked with John Von Hess, an Absecon employee, to implement Mr.


Preston's technology. The technology involved the use of a machine made by a company known as Liba. The Liba machine used with the technology is not a standard, off-the-assembly-line machine. It has many features that Preston showed me he had designed specifically for use with his technology.

5. When I had questions about the technology Absecon was using for the SOW, the person I asked was Preston – not anyone else at Absecon.

6. I learned that, on February 16, 2012, Preston terminated his license agreement with Absecon. In response to my question about whether Absecon could continue using the technology, Taylor told me that Absecon owned the Liba machine and the technology was already "out there."

7. When I left Absecon on March 4, 2012, it was not because Preston pressured me to do so. I was, however, uncomfortable using what I understood to be his technology even though he had terminated Absecon's right to do so. At the time of my departure, Absecon was using the same technology that Preston taught me for making body armor using the Liba machine, and I had ordered supplies specifically for use with that technology. Aside from the fact that Preston no longer wanted to answer my questions about the technology beginning in the second half of February, nothing had changed in the body armor technology Absecon was using. My sole goal and purpose for accepting this employment was to try and produce the best protective ballistic system on the market for our military.

Dated: New York, NY
March 9, 2012


DENNIS WALSH